

MINUTES OF THE
JOINT HEALTH AND HUMAN SERVICES APPROPRIATION SUBCOMMITTEE
Monday, January 29, 2001
Room 403, State Capitol Building

Members Present: Sen. David H. Steele, Committee Co-Chair
Rep. Jack A. Seitz, Committee Co-Chair
Sen. Edgar Allen
Sen. Curtis S. Bramble
Rep. Trisha Beck
Rep. David L. Hogue
Rep. David Litvack
Rep. Rebecca Lockhart
Rep. Carl S. Saunders
Rep. Matt Throckmorton

Members Excused: L. Steven Poulton

Staff Present: Thor Nilsen, Legislative Fiscal Analyst
Spencer C. Pratt, Legislative Fiscal Analyst
Norda Shepard, Secretary

Public Speakers Present: Rod Betit, Executive Director, Department of Health
Dr. Scott Williams, Deputy Director, Department of Health
Dr. Todd Grey, Medical Examiner
Paul Boydon, Executive Director, State Association of Attorneys
Camille Anthony, Executive Director, Commission on Criminal and Juvenile Justice
Dr. Robert Rolfs, Director, Center for Health Data
John Williams, On-Site Administrator, Veterans' Nursing Home
Iona Traen, Director, Health Systems Improvement
Doug Springmeyer, Chief Legal Counsel, Department of Health
Jan Buttrey, Director, Emergency Medical Services
Deb Wynkoop, Director, Licensing
Keith Harwood, M.D.
Kathryn Vedder, M.D., Director, Salt Lake Valley Health Department
Myron Bateman, Director, Tooele County Health Department
Christopher Viavant, Chief Financial Officer, Wasatch Homeless Health Care
Rick Kinnersley, President, Utah Hospital Association

Visitor List on File

Committee Co-Chair Seitz called the meeting to order at 2:05 p.m.

1. Budget Hearing: Department of Health - Executive Director's Office

Analyst Spencer Pratt explained that the Executive Director's office provides overall policy, management, and administrative support for the divisions in the Department of Health. This budget also includes the Office of Medical Examiner and the Center for Health Data. The analyst is recommending a budget of \$9,556,000 which includes a proposed change in a reduction of \$1,977,900 from general funds, which reflects a move to a new line item dedicated to the local health department's general fund block grant. He discussed legislative intent language concerning outcome measures, which was distributed to committee members earlier, and the Program Budget Overview, which are the purple and green sheets in the Budget Analyst book. The analyst is recommending that the intent language for the Program Budget Overview not be continued.

Mr. Pratt stated it should be noted that this budget includes two assessments made by the Governor's Office. These include \$6,000 for the Governor's Washington DC Office and \$14,000 for the Governor's Chief Information Office. Rep. Lockhart questioned the reason for the Governor's office in Washington DC and why the Department of Health should be assessed for this office. Mr. Pratt said that this assessment is made to many departments. Rod Betit, Executive Director, Department of Health, answered that having an office Washington DC was very useful in helping to set federal policy and guidelines on health department programs. He stated it was less costly than sending representatives from the department. Rep. Lockhart requested that information be obtained on how many other agencies were assessed for the cost of the Governor's in Washington DC.

Mr. Betit outlined issues of concern for the Department of Health. In response to Intent Language, he reported that the Executive Director's Office budget is 88% administration (not including the local health department block grant). He stated other issues of concern were the moving of the Veteran's Nursing home to the National Guard, the coming Olympics, tobacco health, and medicaid reductions. He listed the accomplishments of the department and stated there were lots of silent heroes that provide leadership to make good things happen. He underscored the request for compensation increases.

The Analyst is recommending that a \$200,000 budget increase be considered for the Medical Examiner's Office. Todd Grey, Medical Examiner, spoke about the need for this additional funding. He distributed a budget fact sheet. He stated the increase was essential to keep his office running. He stated that his office has been experiencing an annual increase in case load from 6% to 9% with no increase of personnel or funding to deal with this workload. This has led to lots of overtime and chronic budget shortfalls. This office functions seven days a week, twenty-four hours a day.

Paul Boydon, Executive Director, State Association of Public Attorneys, stated that because of lack of funding the Medical Examiner has been sending bills to local jurisdictions for cases which are being done. These are state homicide cases as there are no local ordinances against murder but statute requires that local jurisdictions try the state cases. He stated the building block is essential and the funding shortfalls will not go away.

Camille Anthony, Executive Director, Commission on Criminal and Juvenile Justice, stated that part of the commission's mission is to coordinate between the different branches of government concerning criminal justice philosophy. The question of who should pay for the medical examiner's services is often difficult to determine because there is very little control whether a particular county commission or city council have a jurisdiction in murder cases. She stated it is often a matter of getting accurate and complete information in order to get a prosecution completed and the interest of justice is solving the crime.

Dr. Robert Rolfs, Director, Center for Health Data, discussed the Outcome Measures Report for the Department of Health. He stated the purpose of the report was to provide information about the range of services provided by the department and how the state of Utah is doing on these issues. He said he would highlight six issues: the percentage of two year olds adequately immunized in the state which has made significant progress; the number of long- term care beds has increased from 226 in 1995 to 289 in 1999; a report on medicaid inflation; the increase in Salmonella cases in the state; the number of new restaurants established in the state in relation to the number of inspectors; suicide and suicide attempts; and the ever increasing problem of obesity, which is a risk factor for other severe health problems. Dr. Rolfs stated there is much more useful information in the report and hoped committee members would take the time to read through it.

2. Voting on Budgets

MOTION: Rep. Hogue moved to approve items, without funds at this time, for the priority list for the Drug Courts and Drug Boards in the Department of Human Services, Internal Funds rates, and Licensing fees. The motion passed unanimously.

3. Approval of Minutes

MOTION: Sen. Allen moved to approve the minutes of 1-26-01. The motion passed unanimously.

4. Budget Hearing: Department of Health - Veterans' Nursing Home

Analyst Pratt distributed a Department of Health funding sheet showing the agency's requests, the governor's recommended increases and what the analyst has included as funded and unfunded increases.

Mr. Pratt explained that the Veteran's Nursing Home is an 81-bed, long-term care facility that provides both skilled and intermediate care to Utah's veterans and their eligible spouses. There are two sources of funding, federal funds and dedicated credits. The dedicated credits come from the patient fees. He stated this is not a medicaid facility. The nursing home has a contractor, Traditions Health Care, and the department is pleased with their performance.

Doug Springmeyer, Chief Legal Counsel, Department of Health, reported on two pending legal actions. One is against the bank for taking bonded funds without notification and the other one is against the previous contractor. The contractor has removed their case to federal court and it is currently pending a decision.

John Williams, Administrator, Veterans' Nursing Home, stated that 49 states have Veterans' homes. Nevada does not. There are approximately 100 in the United States. In answer to committee questions, Mr. Williams stated that the VA does place veterans in private nursing homes, but on a very limited contract, usually only six weeks, so it isn't the same as having a long-term care nursing home that receives federal funds but is sponsored and operated by the state.

5. Budget Hearing: Department of Health - Health Systems Improvement

Analyst Pratt explained that the mission of the Division of Health System Improvement is to facilitate, encourage, and coordinate continuous improvement in the Utah health care system. The Analyst is recommending a budget of \$11,482,500 for the director's office and the four bureaus within the division. He explained that Primary Care Grants have been funded for the past several years from the Mineral Lease account and when that ran out, the funding source was switched to the Medicaid Restricted Account. These are one time funding sources so each year there is a request to bring back \$500,000 to sustain the efforts that have been made thus far. The analyst is recommending that this be an item to be considered.

The second budget in the division is Emergency Medical Services which provides assurances that the emergency medical system in the state is up to standard in supplying the quality services that are needed. It gets a portion of its funding from the general fund but a significant amount comes from dedicated credits which comes from surcharges that are leveled on criminal cases and forfeitures in the state. The analyst is recommending \$4,534,200. Jan Buttrey, Director, Bureau of Emergency Medical Services, answered questions from the committee.

The Analyst is recommending a budget of \$3,029,600 for the Bureau of Licensing. This bureau is responsible for ensuring that health facilities and agencies adhere to the mandated functions through licensure and regulation. The analyst's recommendation for the Program Certification and Resident Assessment is \$3,127,800. This bureau does pre-admission screenings for all Utah Medicaid recipients seeking nursing home or institutional care. The final budget recommendation in the division is for \$467,400 for the Primary Care, Rural and Ethnic Health. This recommendation includes one FTE position. There is also a schedule of fees for committee consideration. Deb Wynkoop, Director, Bureau of Licensing, answered questions concerning licensing procedures.

Dr. Scott Williams, Deputy Director, Department of Health, indicated that these programs were once scattered throughout the department but have now been pulled together and called Health System Improvement. Iona Traen, Director, Health Systems Improvements, distributed and discussed an Appropriation Subcommittee Briefing Document. The document provides information on sources of funding and budget distributions. She introduced the four bureau managers, Jan Buttrey, Bureau of Emergency Medical Services, Allan Elkins, Bureau of Program Certification and Resident Assessment, Deb Wynkoop, Bureau of Licensing, and Marilyn Haynes-Brokopp, Bureau of Primary Care, Rural & Ethnic Health Systems. She explained the breakdown of manager responsibilities shown on the budget fact sheet. Also in the handout were an example of a Utah State Department of Health Report Card, a Full Facility Profile and a budget fact sheet on the State Primary Care Grants Program and a map of the state indicating where the primary care grants are currently distributed.

Keith Harwood, M.D., a family practitioner at Community Health Centers in Salt Lake, said he would like to speak for providers here and across the state. He thanked the committee for past one time support and asked for support of the governor's recommendation that this become on-going support. He said that primary health care means on-going, long-term relationships with patients. He gave an example of one of his patients who had no insurance. He stated that the number of people who are uninsured is growing and most of the centers have waiting lists. He said if we could pay to prevent problems, there would be less money spent in emergency rooms.

Christopher Viavant, Chief Financial Officer, Wasatch Homeless Health Care in Salt Lake City, said he would like to address the financial impacts of the Primary Care Grants as it affects his organization and are mirrored in other organizations in the state. He stated it is long established that primary care services are less costly than emergency care. He stated that one in three of their patients would have ended up in emergency rooms if they were not able to open their doors.

Myron Bateman, Director, Tooele County Health Department, stated that one of the wonderful things about this Primary Care Grant Program is that they are able to service people in rural areas that would not have services otherwise. He said an example of this was a diabetic program and a dental program they have, basically with the Indian reservation, for which this grant has been very beneficial. He said they appreciated the support in the past and encouraged committee members to continue their support.

Kathryn Vedder, M.D., Salt Lake Valley Health Department, stated that in her capacity one of her jobs is to make sure that people have access to quality medical care. She stated there are somewhere between 80,000 and 100,000 uninsured people in the Salt Lake Valley. She stated more funding was needed for these people. She stated that because of the CHIP program children were having little problem with access to health care because they are covered, but it is the working heads of households who are trying to provide for their families who have no insurance. These funds help them to keep well and stay out of the emergency room.

Rep. Throckmorton asked if someone from the hospital association would share their feelings concerning all the regulations imposed by these grants. Rick Kennersley, President, Utah Hospital Association, responded by saying that hospitals in the United States are the most regulated industry in the nation except for the nuclear industry. He stated it is not uncommon for hospitals to have more than 32 inspections every year and the regulatory paper work is overwhelming. He said in all fairness to the state, they are caught in the same way, since many programs are funded by federal dollars and when we accept those federal dollars, we accept all those rules and regulations that are attached.

6. Budget Hearing: Department of Health - Financial Assistance Programs

Analyst Pratt stated that the Division of Health Systems Improvement is overseeing three grant/ scholarship/

loan repayment programs. They are designated in statute. They are separate line items but they are administered by the Division. The first one deals with Physicians and Physician Assistants which was created to assist medically underserved rural area of the state in recruitment and retention of physicians and physician assistants. If a recent graduate of medical school or physician assistant will obligate himself or herself to practice in a rural area that is underserved, then the department will assist in paying off their student loans. The recommended budget is \$295,000 in general funds and the commitment of owed money for future years which shows up in the non-lapsing category. The second program is the Nurse Education Financial Assistance Program with similar requirements for graduate nurses. The recommended amount from the general fund is \$190,400. The third program is the Special Health Care Provider Financial Assistance Program, with a recommended budget of \$76,200 from general funds.

Dr. Scott Williams stated that even though these programs are small in dollar numbers, they are still very important. They are complex because the money is obligated in one year but then has to be held to be used in future years.

MOTION: Rep. Hogue moved to adjourn. The motion passed unanimously.
Co-Chair adjourned the meeting at 4:41p.m.

Minutes reported by Norda Shepard, Secretary.

Sen. David L. Steele
Committee Co-Chair

Rep. Jack A. Seitz
Committee Co-Chair